

We are receiving queries from number of comrade if the order issued by Department of Pension on 12-5-2017 providing a new option for pension revision is applicable to us, the BSNL pensioners.

This is a clarification for the earlier order dated 4-8-2016 on implementation of 7<sup>th</sup> CPC report. The above order of 4-8-2016 CPC report is not yet made applicable to BSNL pensioners. Hence the clarification also will not apply.

- (1) Once again, the order talks about CCS Pension Rules 1972, also about employees permanently absorbed in PSUs. Still, DoT maintains a stand that it is not applicable to BSNL pensioners. We can use this order also in our efforts for getting the CPC fitment benefit.
- (2) At this point of time, let us realize that the said order of 12-5-2017 will not be applied in our case. This is applicable to our members who are DoT pensioners.

#### THEN HOW TO FIND OUT THE BENEFIT?

Under the order dated 12-5-2017, the PAY (not pension) has to be revised first and finally the pension should be determined. For this purpose we should know the PAY REVISION formulae of V CPC, VI CPC and VII CPC.

Step 1. Revise the Fourth CPC Pay notionally. On 1-1-1996, when the 5<sup>th</sup> CPC report was implemented, The CDA was 148%. (For those who were getting basic pay above Rs 6000 it was 111% CDA) Three Interim Reliefs were also available. The first IR was Rs 100. Second IR was 10% of the Basic Pay and the third IR also was same 10% but it was adjusted in pay revision and hence need not be taken into consideration. Fitment formula granted was 40%. So, for revising the IV CPC pay to V CPC regime, the old basic pay (Last Pay Drawn, not average) has to be multiplied by 2.98 and then add Rs 100 to the sum. (100+148+10+40+ Rs 100).

Step 2. Then Revise the above notional pay to Sixth CPC scale. Formula is simple. Multiply the V CPC basic pay by 1.86 and add the Grade Pay applicable.

Step 3. Fix the pay in Seventh CPC Pay Matrix. Multiply the VI CPC Basic pay by 2.57 and then fix at the next higher level in the Pay Matrix.

Step 4: Now, find out the 50% of the thus refixed pay in the Pay Matrix. This shall be the new basic Pension from 1-1-2016.

#### EXAMPLE:

1. Date of Retirement: 30-9-1995
2. Pay Scale, retired from: 1600-50-2300-60-2660
3. Last pay Drawn : RS. 2600.
4. 2600 revised in V CPC:  $2600 \times 2.98 + 100 = 7848$ .  
Fixed at next stage (7850) in new scale of 5000-150-8000
5. 7850 revised to VI CPC:  $7850 \times 1.86 + 4200$  (grade pay) =18801, fixed at 18810.00
6. Revise 18810 in VII CPC Matrix:  $18810 \times 2.57 = 48342$ .
7. Next Stage in the Pay Matrix is: Rs. 49000
8. The new Basic Pension shall be:  $49000 \times 0.5 =$  Rs. 24500.00

[The above person was receiving pension of Rs 22799 from 1-1-2016. He/she will get increase of Rs 1701 in basic pension under the latest option vide order dated 12-5-2017. Under the Option No 1, proposed by the Seventh CPC and rejected by Government now, the above person would have got Rs 31100 as new basic pension. **Govt. says it is not 'feasible'**. His gain of Rs 8300 is reduced to Rs 1700 by the recent decision.